HOAG MEMORIAL HOSPITAL PRESBYTERIAN
PA2009-064
2011 DEVELOPMENT AGREEMENT REVIEW

PROJECT STATUS REPORT –
AUGUST, 2010 SUPPLEMENT TO
THE JUNE, 2010 SUPPLEMENT FOR THE
PERIOD MARCH 31, 2009 THROUGH MARCH 12, 2010

The attachments referenced in this supplement were a part of last year's status review report are not provided in this report but are available upon request.

Project Status Report
August, 2010 Supplement to
June, 2010 Supplement for
March 31, 2009 through March 12, 2010
Second Annual Review of the Development Agreement
Between the City of Newport Beach
And Hoag Memorial Hospital Presbyterian

On April 27, 2010, the Newport Beach City Council held a public hearing on Hoag Memorial Hospital Presbyterian – Development Agreement Annual Compliance Review for the period of March 31,2009 through March 12, 2010 and determined Hoag Hospital to be in good faith compliance with the terms of the Development Agreement except for certain conditions and mitigation measures discussed in the public hearing.

This report has therefore been prepared as a supplement to the March 12, 2010, Second Annual Review of the Development Agreement to provide further information requested by the staff and City Council. Additionally, it should be noted that an additional supplemental report was completed in June, 2010, which is included within the text of this document for reference purposes.

June , 2010 Supplement : Cogeneration Plant Energy Curtailment

Monthly Cogeneration Plant Reports for the months of July, August, October, November, December 2009, and January, February 2010, were attached in the March 12th report. As a supplement to that report, the reports for the months of March and April 2010, were submitted to City Staff on disc.

Additionally, a memo from the Engineer of Record, Michael Trzepacz, P.E. which provided a Period Summary report has been submitted to City Staff.

August, 2010 Supplement: Cogeneration Plant Energy Curtailment

During the months of October 2009 to April 2010, the weather station on Hoag's Lower Campus provided data to the Co-generation plant operators and activated the alarm when the identified plume atmospheric conditions were present. When the alarm sounded, staff confirmed the cooling tower heat rejection load (BTU/hr) levels were below the established threshold criteria for tower heat rejection. If conditions were under the threshold for heat rejection no additional action was necessary and none was taken. (Should the levels be above the established threshold, additional action would be taken, including a load shift to the upper campus power plant). During the months of October 2009 through April 2010 there were no times when the cooling tower heat rejection load exceeded the threshold limit resulting in maximizing responses to prevailing weather conditions due to the following .

October, November and December 2009 - Scheduled maintenance of each of the three Caterpillar generators and absorption units allowed Hoag to insure heat rejection remained at 66% of full capacity by taking down one generator and chiller per month during this period.

January, February, March and April 2010 - Protocols were put into place to utilize a combination of thermal loading and load shifting to the Upper Campus power plant to proactively manage the heat rejection to the prescriptive levels.

Mitigation Measures and PC Text Requirements

Noise – West Hoag Drive

June, 2010 Supplement
Mitigation Measure: PDF 3.4-1 – Villa Balboa Window Installation

Copies of the 18 letters that were sent to Villa Balboa residents providing notice of their eligibility to have windows and sliding glass door(s) in their condominiums upgraded as part of the Noise Abatement Program being offered by Hoag were submitted to City Staff. These letters were sent on May 24, 2010 by certified mail return receipt requested and gave each owner a 45-day period to respond with a request to participate in the Noise Abatement Program. The eligible condominium owners were informed that the windows and sliding glass door(s) noise attenuation improvements will be installed by a qualified and licensed contractor retained by the Villa Balboa Community Association, the cost of which shall be reimbursed by Hoag to the Association pursuant to the bid estimate approved by the City of Newport Beach.

Once this 45-day period to respond has run, Hoag will fund the window installations for those residents, responding to the notice. Hoag is in good faith compliance with this mitigation measure and will fully meet its obligations by funding the windows and sliding glass door(s).

August, 2010 Supplement

As of August 10, 2010, all eligible Villa Balboa condominium owners have responded positively indicating their election to participate in the Noise Abatement Program. Based on the responses, Hoag has fulfilled its full obligation under this mitigation measure by depositing a check in the amount of $499,142.00 into the IronStone Bank, established by the Villa Balboa Community Association for escrowing the funds to fully pay for the condominium windows/sliding glass doors upgrades.

Mitigation Measures 3.4-2/3.4-3
Heating, Ventilation and Air Conditioning for Ancillary Building and West Tower.

March 12, 2010 Report:

As of last year's update, Hoag had proceeded in good faith to complete the requirements of these mitigation measures in the following manner. The West Tower sound louvers were installed on January 9, 2009 and were sound tested in February and met noise standards. The Ancillary Building roof top sound wall was completed in August, 2008. The plans for the relocation of the kitchen exhaust equipment into a mechanical enclosure for the Ancillary Building are completed and were submitted to OSHPD on August 22, 2008 and permits were received on March 17, 2009.

The final permit showing completion of the project by OSHPD is attached.

During this last year, Hoag finished the work required in these mitigation measures and as noted in the above referenced noise analysis by RS Acoustics (Attachment 1), Hoag has redesigned the

kitchen exhaust fans and penthouse enclosure located on the rooftop of the ancillary building per the requirements. With the completion of these improvements, Hoag complies with the day time noise standards and is slightly higher by 1 dBA than the requirement in the nighttime. Once the Sound Wall is complete, Hoag anticipates it will be in complete compliance with all noise standards.

June, 2010 Supplement:

Please find attached, an updated Acoustical Study, completed on April 26, 2010, by RS Acoustics, Inc. This study was conducted after the new sound wall along West Hoag Drive was complete. Per the study, (see section 3.1, page 17), Hoag meets or exceeds the noise standards as set forth in the Development Agreement and is now in full compliance with the noise requirements. (Attachment 3)

August, 2010 Supplement

Please find attached (August Attachment 1), an updated Acoustical Study, completed on August 1, 2010 by RS Acoustics, Inc. The study concludes (see section 3.1 p. 18) that Hoag meets or exceeds the noise standards as set forth in the Development Agreement and is now in full compliance with the noise requirements.

Mitigation Measure 3.4-5 – Loading Dock Sound Absorption Panels

"Sound absorption panels on the east wall of the loading dock shall be installed. Approximately 450 square feet of absorptive panels shall be used to cover major portions of the back of the loading dock area. The Noise-Foil panels by Industrial Acoustics or a panel with an equivalent or better sound rating shall be used"

Per the attached sketch, labeled "Mitigation Measures, 3.4-5 and 3.4-6", Sound Panels of approximately 950 square feet (500 square feet more than required by the mitigation measure) made with Noise Foil Panels will be mounted to the building, per the mitigation measure. (Attachment 4)

It is anticipated that the plans will be submitted to OSHPD by June 17, 2010, and construction will commence by the end of August, 2010.

August, 2010 Supplement

On July 13, 2010, OSHPD has issued building permit (August Attachment 2) for the Loading Dock Sound Panels. (See Attached)

Construction has commenced and will be completed by September 10, 2011.

June, 2010 Supplement

Mitigation Measure 3.4-6 – Relocation of the Trash Compactor

"The trash compactor shall be relocated within the loading dock. The trash compactor and baler shall be enclosed in a three-sided structure. The walls shall be concrete block or similar masonry construction. The roof shall be lightweight concrete roof or a plywood surface with concrete tiles; a built-up roof with 5'5" of insulation on the inside would be an acceptable alternative. The open side

shall face away from the residents. Doors may be on the side of the enclosure facing residents, but must be closed when the baler or compactor are operating. The compactor and baler should only be operated between the hours of 7:00 AM and 7:00 PM."

This mitigation measure will be met in the following manner, per the two attached sketches, "Modified Loading Dock Plan- June 12, 2010". The trash compactor area currently has one exterior louvered wall adjacent to it. Hoag is proposing to install a modified enclosure on the two remaining exterior exposed areas facing West Hoag Drive as follows; the front gate will be constructed with the Sound Fighter wall materials, the north wall will be constructed with an exterior grade framed lath and plaster insulated wall system. The baler will be partially enclosed on two sides with the Sound Fighter panels. (Attachment 4)

The doors will be closed when the compactor is operating. The compactor and baler will be operated between the hours of 7:00 AM and 7:00 PM.

Plans will be submitted to both the City and OSHPD within 60 days.

August, 2010 Supplement

Based on further input from City Staff, the trash compactor area has been redesigned as follows: (See attached photos and drawing of the Enclosure for Trash Compactor & Baler – August Attachment 3)

The trash compactor/sanitizer will be enclosed on the north and south sides with an exterior metal panel system. The interior of the walls will be lined with Noise Foil Panels as recommended by the acoustical engineer. The roof will be constructed of metal decking with a waterproof membrane and be constructed similar to the north and south walls and will have a bellow material to wrap around the trash enclosure to allow for movement. The east wall of the compactor/sanitizer will be open for access.

The west wall of the loading dock will be lined from north to south with Noise Foil Panels as recommended by the acoustical engineer.

The baler will be constructed with three walls on the east, west, and south sides. The north side will remain open for access. The roof of the baler enclosure will be constructed of the same materials as the compactor/sanitizer roof structure noted above.

The compactor and baler will be operated between the hours of 7:00 AM and 7:00 PM.

Plans will be submitted to both the City and OSHPD within 60 days.

With the construction of the Trash Compactor and Baler Enclosure as described above, Hoag believes they are in good faith partial and substantial compliance with the Mitigation Measure for an interim period until such time when the trash compactor will be relocated and full compliance will be achieved as part of Hoag's construction of a new structure or structures on the Upper Campus requiring the transfer of buildable square footage from the Lower Campus and reconfiguration of the loading dock.